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PENTHOUSE
AUGUST 1977

Why is the C
Name another news
intelligence ag
"reporters

THE SI
GAME IN
NEW

BY JOE TRENT

A year-long *Penthouse* ir
can newspaper chain
intelligence arms of th
Federal Bureau of Inve

The *Penthouse* inquiry establi
cludes the *San Diego Union* an
subsidiary, the Copley News Se

- Provided credentials, informa
and the FBI.
- Exchanged intelligence infor
planted CIA and FBI stories anc
- Harbored CIA operatives on
and fed stories to news-service
FBI.

Furthermore, *Penthouse* learne
was a financial failure) was insp
Eisenhower and the late James S.
Copley Press) for the purpose o

Meetings and phone calls bet
lined in still-secret documents,
These documents confirm:

- That Copley volunteered his
and ears" against "the Communis
"our intelligence services."
- That Eisenhower told Copley
country and will be reciprocatec
- At subsequent meetings oth
Service provide credentials for C
"cover for our operatives."

Those meetings and phone call
and his privately held empire an
death in 1973.

According to retired intellige
("Andy") Anderson, the czar of
drew on his background in nava
intelligence effort during the early
ley executives, refused to be interviewed for this article. He is now retired.

"The hiring of military people to run his newspapers and his news service was something that Jim inherited from his father," Lyle Erb, the former corporation secretary for Copley Press, told *Penthouse*. Copley's father, Col. Ira Copley, had requisitioned OSS officer Robert Richards to run his Washington bureau before the end of World War II. And Gen. Victor ("Brute") Krulak, onetime head of liaison between the Joint Chiefs of Staff and the intelligence services, succeeded Captain Anderson as editorial director of Copley Press in 1968. Krulak (who retired from Copley in June) was described by members of the Forty Committee, which oversees the U.S. intelligence apparatus, "as the expert in anti-Castro guerrilla activities in the early 1960s for the Kennedys."

Sources indicate that while there had been intelligence cooperation between Copley and the CIA prior to the 1953 Eisenhower meetings, it was not organized until CNS was founded. *Penthouse* learned from very well placed CIA sources that no less than twenty-three Copley News Service employees had worked for the CIA simultaneously. Out of the 194 U.S.

Illustration by Fred Otnes

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